

LUCAS COUNTY, OHIO BOARD OF COMMISSIONERS	NUMBER: 11d	PAGE: 1 OF 1
TITLE: PURCHASING POLICY AND PROCEDURE	PERSONNEL ADMINISTRATIVE X	RESOLUTION NO: 05-757
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<p>See attached information.</p>		
APPROVED BY:	DATE:	

Lucas County Purchasing Policy

Introduction

The responsibility of this department is to acquire materials, supplies, service and equipment necessary for the proper and efficient operation of Lucas County Government, considering the best price and quality.

The Purchasing policies of the County are approved by the Board of County Commissioners. Bidding procedures are established by State Statute.

The manual is designed to set forth in detail the rules, regulations, and necessary procedures to adhere to these policies.

SUMMARY OF PURCHASING/PROCUREMENT THRESHOLDS

Tier 1: Direct Purchase - \$1000 or less

- Does not require a Purchase Order or precertification/encumbrance of funds.
- User sources using registered vendors on vendor list.
- See Policy and Procedure Manual for Details.

Tier 2: \$1000.01 - \$5000.00

- Require a Purchase Order.
- One written quotation required.
- User sources the purchase by solicitation of written quotation from registered vendor on vendor list.
- Submit quotation to Purchasing with Request.
- See Policy and Procedure Manual for details.

Tier 3: \$5000.01 and not to exceed \$25,000

- Requires a Purchase Order.
- Three quotations solicited by Purchasing using the registered vendors on vendor list.
- See Policy and Procedure Manual for details.

Tier 4: ORC 307.86 Competitive Bid Threshold in Excess of \$25,000

- Requires a Purchase Order
- Requires Solicitation of Formal Competitive Bids per ORC
- Requires Board Approval
- See Policy and Procedure Manual for details
- Requires Best Bid Criteria

Procurement of Furniture:

- Requires additional approval of the Facilities Planning Manager

Software and Hardware:

- Requires additional approval of the Data Board for purchases \$500+
- Under \$500, requires approval of LCIS Director

Vehicles:

- Requires additional approval of the Board of County Commissioners, or its designee, and is to be consistent with the Vehicle Policy.

PURCHASING POLICY

Purchases exceeding one thousand dollars (\$1000) for the operations of those agencies and departments under the Board of County Commissioners and those agencies and departments under other Lucas County elected officials are made through the Purchasing Department.

Purchases shall be of a quality to suit the intended purpose at the least expense while encouraging vendor diversity.

DEPARTMENTS' AND EMPLOYEES' RELATIONSHIP.

1. All suppliers' representatives will be received by the Purchasing Department promptly and courteously.
2. The Purchasing Department will communicate to department managers useful information received from interviews, catalogs, advertising, etc. including an updated monthly registered vendor list.
3. The Purchasing Department shall discuss with the suppliers' representatives the necessity for prompt deliveries and full cooperation with any delivery schedules which have been set up by those departments requiring such services.
4. All department managers, where practical, shall designate a delivery date in whole or dates for partial deliveries on their request to the Purchasing Department. The Purchasing Department shall advise the ordering department of any change in delivery dates should they occur.

VENDOR REGISTRATION AND SOLICITATION

Solicitation for quotation(s) is made on the open market. All prospective vendors are encouraged to register with Lucas County. The benefit of vendor registration is that all vendors registered will automatically receive e-mail notification of the opportunity to bid on competitive bid projects/commodities/services for products and services exceeding twenty-five thousand dollars (\$25,000). Registered vendors will also receive the electronic bid packet (where applicable) for projects that require

competitive bids per ORC 307.86 relating to their registered NIGP Commodity Code. For commodities/services that require quotations only, where more than one vendor is registered for the same NIGP commodity code, solicitation for quotations from a variety of sources will be encouraged.

The registration form is available on-line at the www.co.lucas.oh.us web site or potential vendors can contact the Purchasing Department for a registration form. The registration form includes submission of basic company information, contacts, type of operation, type of organization, type of business (MBE, DBE, EDGE – State of Ohio certified), description of commodity or services and three digit NIGP commodity code(s). See Attachment A for definition of MBE, DBE AND EDGE.

OBJECTIVES TO BE ATTAINED THROUGH STANDARD PROCEDURES

1. To reduce the number of negotiations with vendors and to be fair with them.
2. To reduce the number of items used by the County.
3. To eliminate time consuming contacts with department managers.
4. To eliminate “specialty Items” and adhere to commercial standards where possible.
5. To secure better values than otherwise possible.
6. To reduce paper work and to reduce the cost of securing materials, equipment, etc.
7. To consolidate services.
8. To define responsibilities.
9. To be efficient.
10. To broaden our vendor base by creating an accessible system to encourage a fair and efficient manner for vendors to register to do business with the County.
11. To track purchase orders by commodity code and vendor quarterly upon implementation of the PeopleSoft Financials.
12. Build relationships with organizations specifically created to assist in the development of opportunities for all business enterprises including DBE, EDGE and MBE.

RELATIONS OF VARIOUS DEPARTMENTS WITH THE PURCHASING DEPARTMENT

The Purchasing Department functions in support of team effort with mutual benefits for the good of the County, and depends upon joint cooperation. This manual may prove helpful as a guide as to each department's responsibility in making purchases.

PURCHASING DEPARTMENT RESPONSIBILITY

1. Know and become acquainted with the needs of all departments.
2. Procure a product that will meet the department requirements at the least possible cost to the County.
3. Know the source and availability of needed product.
4. Cooperate with, and aid all departments in meeting their needs for operating supplies or equipment.
5. Process all requisitions with the least possible delay.
6. Work with the suppliers in correlating all the steps involved in completing a purchase.
7. Track all vendor registration, solicitation, awards and provide reports regarding vendor utilization.
8. Encourage the creation of equal opportunities for all to partner or work with the County.
9. Maintain procedures to ensure equitable or fair consideration of all business enterprises including DBE, EDGE and MBE.

DEPARTMENT RESPONSIBILITY

1. Allow ample time for the Purchasing Department to place order and supplier to deliver.
2. Make full and accurate description of material and equipment to be purchased.
3. Prepare specifications that require a technical or engineering background.
4. List anticipated requirements in advance when requested, allowing sufficient time for the proper purchasing procedure.
5. Cooperate with the Purchasing Department by reporting in writing results of purchases either: Favorable or Unfavorable . . . particularly the latter.
6. Advise the Purchasing Department of any known qualified supplier.
7. Solicit quotations, bids, etc. from a variety of sources and insure lowest and best bid awards.

PURCHASING RULES AND REGULATIONS

ORGANIZATION

The Purchasing Department is under the supervision of the County Administrator and shall be administered by the Director of Support Services, who will also act as Purchasing Agent.

AUTHORITY AND DUTIES

1. The Purchasing Agent shall have the authority, and it shall be his/her duty, unless otherwise provided by State Law, to purchase or contract for supplies, materials and equipment required by any using agencies.

The terms "supplies, materials, and equipment" as used in this manual, shall be construed to mean any and all articles which shall be furnished to or used by any requisitioner.

2. The Purchasing Agent shall establish and amend, if necessary, rules and regulations necessary to perform the operations of his/her office and duties subject to the approval of the County Commission.
3. The Purchasing Agent shall maintain, at all times, a list of all registered vendors. The list will be distributed to all end user departments. The department heads and elected officials will be encouraged to review the list regularly and to solicit quotations/bids from a variety of sources. The list will be updated on a monthly basis.
4. Open competition is encouraged on all purchases and sales. Purchases are made on the open market. Exceptions: Commodities and Services offered on State of Ohio DAS Contracts (ORC 125.04), ODOT Contracts, other Contracts (ORC 9.48)
5. Upon receipt of an acceptable requisition, shall estimate the cost of such purchases, and make a purchase with the least possible delay, after having first performed the following:
 - a. Solicitation of three competitive quotes if the purchase exceeds five thousand dollars (\$5000).
 - b. Solicit/Advertise sealed bids if the purchase exceeds twenty-five thousand dollars \$25,000.
 - c. To provide Best Bid Criteria with all bid packets including construction, professional/personal services RFP's for projects anticipated to exceed twenty-five thousand dollars \$25,000.
6. Forward purchase order specifying the amount and source of fund to the Lucas County Auditor for certification as to availability of funds.
7. The Purchasing Department will not discriminate in the purchase of goods, services, materials equipment, etc., on the basis of race, religion, gender or national origin. The Purchasing Department adheres to State of Ohio requirements.

8. The Purchasing Department shall track all purchases. Information tracked under \$1000 purchases include type of organization (MBE, DBE, EDGE), no NIGP Commodity Code information will be collected or tracked. Information tracked for purchase orders will include solicitation or notification to vendors, vendor responses and awards, NIGP commodity code, type of organization (MBE, DBE, EDGE) and expenditure. Tracking will be reviewed quarterly.
9. The Purchasing Department in collaboration with the Northwest Ohio Black Chamber of Commerce (NWOBCC), Toledo Chamber of Commerce, the Toledo Area Small Business Association (TASBA), Northwest Ohio Hispanic Chamber of Commerce, American Arab Chamber of Commerce and other similar organizations will establish, organize and conduct "How to do Business with Lucas County" forums, up to three times per year, sponsored by the Board of County Commissioners contingent upon funding. These will be publicly advertised and open to all vendors who would like to do business with Lucas County. Specific invitations will be sent to local MBE, DBE, and EDGE entities to encourage their participation.
10. The Purchasing Agent shall incorporate the State Use Law (ORC 4115.31-4115.35) provisions as required; and shall distribute the OIH Catalog to all departments, agencies and elected officials suited to this policy.

EXCEPTIONS

The Purchasing Agent has no responsibility in the acquisition of land, buildings and contracts for the construction and repairs of bridges, streets, sewers, buildings, etc., and procurement of professional services related to same.

The Purchasing Agent and staff shall provide assistance as necessary to elected officials, agencies and departments in the procurement of services related to the aforementioned exception. Procurement of those services shall be in accordance with ORC 307.86 through 307.91, 153.01 through 153.60, 9.33 through 9.333, 153.65 through 153.71.

PURCHASE REQUISITION

PURPOSE

The purchase requisition serves to inform the Purchasing Department of the needs of the department and to correctly define the material requested.

WHEN PREPARED

Requisitions shall be prepared far enough in advance to permit the Purchasing Department to obtain competitive quotations and bids; and to allow sufficient time for deliveries to be made.

The time to be allowed to secure such competitive solicitations shall be not less than the following, after receipt of requisition and correct specifications by the Purchasing Department.

1. A maximum of two (2) weeks for an item upon which advertising is not required (informal quotes... purchases \$5000.01 - \$25,000).
2. A maximum of four (4) weeks for an item upon which advertising is required (formal bids . . . exceeding \$25,000).

Requisitions on which special handling is desired for the purchase of materials to prevent downtime in any operation in a department, but which are not strictly emergencies, may be hand carried or walked through channels in the interest of saving time. However, these should be kept to a minimum so as not to disrupt the normal purchasing procedure. All such requisitions will have to be approved by the Purchasing Agent before they will be processed.

Requisitions for Super Blanket Orders for those purchased goods and services of a recurring nature that are billed on a monthly basis (e.g., utilities, data processing services, fuel purchases, etc.), should be submitted to the Purchasing Department with an estimated annual cost on a yearly basis. Quarterly blanket orders for the acquisitions of small miscellaneous goods and services are not to exceed five thousand dollars (\$5000) per quarter. A Quarterly Blanket Order does not exempt departments from the ORC 307.86 established competitive bid requirement. A Requisition for a Quarterly Blanket Order with estimated cost should be submitted as follows. January, February, and March should be submitted to Purchasing by December 15; May and June should be submitted to Purchasing by March 15; July, August and September by June 15 October, November and December, by September 15.

Adherence to the above process will insure that department/agency funds will be encumbered before an order is placed and that these same funds (from the year in which the order was placed) will be available to pay the vendor upon receipt of the invoice.

WHO PREPARES

All requisitions shall be signed by an Elected Official/Department Manager or a person authorized to act for him/her.

Requisitions should originate in the using agency at the level where the purchase is to be used and proceed through receiving authorization and approval, and forwarded to the Purchasing Department.

HOW TO PREPARE

A properly processed purchase requisition must contain the following information:

1. Date Written – insert the date the requisition was prepared.
2. Department – fill in the name of the using department.
3. Delivery To – address delivery will be made to, if different than the billing address.
4. Delivery Date – it will not be mandatory to indicate a delivery date on each requisition. Dates, however, may be shown at the discretion of the Director; or to indicate the need or desire for delivery within a specified period of time. Any dates noted are for the assistance and guidance of the Purchasing Department to meet the needs of the department. Requisitions shall be prepared far enough in advance of deliveries so as not to create emergencies.
5. Account Code – it is the responsibility of the originating department to indicate on the requisition the proper account code.
6. NIGP Commodity / Services Code - This is the National Institute of Governmental Purchasing list of commodity codes. The code contains a series of three digits to denote class and item. Use of these codes enable Lucas County to categorize vendors by class-item and to allow our software to automate bidder selection, no-bid response reports, vendor performance reports and capture history.
7. Quantity – insert the number required, and follow with U/M (unit of measure) for those materials that need clarification, such as doz., bd. ft., lin. ft., etc.
8. Description and Specifications – give a clear description of the item desired as to size, color, type model #, etc. if the purchase is of a technical nature, specifications should accompany the

requisition. If the item cannot be described, except with a great amount of detail, a brief description should be given, followed by the trade name and model of an acceptable item.

9. Requisition Approval – the signature of the person authorized to sign the requisition is required. To prevent delays, prompt approval of each successive authority shall be obtained before submitting requisitions to the Purchasing Department.
10. Price quotations / solicitation --
 - a. \$1000.01 to \$5000.00 – one written quotation attached to requisition. User will source the purchase by solicitation of written quotation from the registered vendor on the Lucas County Vendor List and other known sources. Departments and agencies are encouraged to solicit quotations from a variety of registered vendors to allow purchase to be made on the open market unless. Exceptions: Commodities and Services offered on State of Ohio DAS Contracts (ORC 125.04), ODOT Contracts, Other Contracts (ORC 9.48).
 - b. \$5000.01 and not to exceed \$25,000. Purchasing will solicit three price quotations using the Lucas County Vendor List according to registered NIGP Commodity Code. Exceptions: Commodities and Services offered on State of Ohio DAS Contracts (ORC 125.04), ODOT Contracts, Other Contracts (ORC 9.48)
11. ORC 307.86 Competitive Bid Threshold – exceeding twenty-five thousand dollars (\$25,000). Purchasing will prepare bid packets including the Best Bid Criteria for the procurement of materials, supplies, service and equipment or professional services exceeding twenty-five thousand dollars (\$25,000), notify vendors using the Lucas County Vendor List according to registered NIGP Commodity Code and other known sources.

ROUTING

Prepare the requisition, obtain department approval, submit original, and any other supplemental information (written quotations, specifications, etc.) and photo copy of requisition printed on color paper to the Purchasing Department.

GENERAL INFORMATION

1. If a requisition is incomplete or not properly prepared, the Purchasing Department will return it to the originating department for additional information.

2. Be sure to have the correct specifications for the materials, supplies or equipment you are requisitioning.
3. The requisitioner shall not split orders to circumvent any provision of the County, this manual or any policy established by the County, nor shall requisitions be submitted for the sole purpose of using up code balances.
4. The using agency shall not and cannot legally buy, borrow, or otherwise arrange to obtain supplies, materials or equipment in the amount of one thousand dollars and one cent (\$1000.01) without a purchase order, except as outlined under "Emergency Purchases." Failure to follow this procedure may make the person authorizing such purchases personally liable.
5. When several pages of a requisition are required for a purchase, each page shall be numbered consecutively. In such cases, only the first page need be signed in full. Be sure that all pages are stapled securely to each other before forwarding.
6. Problems arising in connection with the preparation and handling of requisitions are to be referred to the Assistant Purchasing Agent who shall be responsible for the in-service training of all personnel involved.

PURCHASE ORDER

PURPOSE

A purchase order authorizes the seller to ship or to provide a service and invoice for the materials and services as specified. Purchase orders shall be written so that they are clear, concise and complete. This will prevent unnecessary misunderstandings and correspondence with suppliers.

WHEN ISSUED

Purchase orders shall be issued only upon receipt of an acceptable requisition. The Purchasing Department prepares a purchase order (an original and 3 copies) and sends it to the County Auditor for certification of availability of funds. If the Auditor cannot certify the purchase order, it is returned to the Purchasing Department which in turn will inform the department originating the requisition. If the purchase order is certified by the Auditor, it is returned to the Purchasing Department where the purchase order is signed by the Purchasing Agent. Then the original copy is mailed to the vendor and disbursement of the remainder copies of the purchase order is made.

WHO ISSUES – EXCEPTIONS

The Purchasing Department only, shall issue purchase orders, except outside County agencies with their own governing board. The using agencies will not enter into negotiations with any suppliers for the purchase of supplies, materials or equipment, with the exception of a blanket order, or as outlined in the "Emergency Purchase Procedure." All purchase orders will be transmitted to the supplier by the Purchasing Department.

ROUTING OF ORDER

A standard pull-out purchase order form, containing an original and three (3) copies, is used to make all purchases and should be routed as follows:

1. All copies go first to the Auditing Department for Auditor's certification.
2. The original is mailed directly to the supplier or his agent, by the Purchasing Department (white copy).
3. The first copy is retained in the office of the Purchasing Department – in the alphabetical file (yellow copy).

4. The second copy is forwarded to the Requisitioning Department to be processed for final payment (pink copy).
5. The third copy is retained in the office of the Auditor after certification (blue copy).

QUOTATIONS AND BIDS

Upon receipt of a purchase requisition the Purchasing Department will seek a source of supply and enter into transactions for the purchase of the commodity or service in accordance to Commissioner policy and procedures or competitive bid threshold as stated in Section 307.86, Ohio Revised Code (excess of twenty-five thousand dollars (\$25,000)).

The Purchasing Department only is authorized to perform regular purchasing transactions. It will be the responsibility of Purchasing to determine if a competitive bid situation exists unless under one or more of the following conditions which are exemptions to the competitive bid threshold established in ORC 307.86:

1. Single Supplier of supplies or replacement or supplemental parts. (Sole Source)
2. Procurement is of emergency nature. An emergency exists as voted unanimously by the Board of County Commissioners:
 - a. Cost is less than \$50,000
 - b. Actual physical damage to structures, radio communication, or computers.
 - c. Informal estimates obtained and retained for one year.
3. Purchase is from another government agency.
4. Public social services including Title XX services.
5. Group insurance programs.

OR the following exceptions, contingent upon approval by the Board of County Commissioners or their agent.

1. State of Ohio Department of Administrative Services Contracts (ORC125.04)
2. Ohio Department of Transportation (ODOT) Contracts
3. Purchases for less than State Contract Pricing – equivalent terms, conditions and specifications. Proper documentation required and maintained.
4. Purchases from Other Contracts (ORC 9.48). Example, NACo Cooperative Purchasing Alliance or contracts of other counties or townships if the contract has been competitively bid.
5. Reverse Auction.

PROCEDURE FOR SECURING BIDS

It will be mandatory to secure sealed bids for all purchases exceeding twenty-five thousand dollars (\$25,000) except as otherwise provided in Section 307.86, Ohio Revised Code.

Request to advertise for sealed bids on purchases exceeding twenty-five thousand dollars (\$25,000) will be forwarded to the County Commission Clerk via a resolution prepared by the Purchasing Department. Upon approval by the Board of Commissioners, the Purchasing Department will arrange advertisements to be published in at least one local newspaper, of general circulation once a week for not less than two nor more than four consecutive weeks preceding the day of the opening of bids as established in ORC 307.87 or to be distributed by electronic means, including posting the notice on the county web site. If the notice is posted on the county web site, it may eliminate the second notice otherwise required to be published in a newspaper of general circulation within the county, provided that the first notice published in such a newspaper meets all requirements of ORC Section 307.87. The Purchasing Department will solicit bids from responsible prospective suppliers obtained from the registered vendor source file, catalogs, and sources from department. Purchasing will e-mail all vendors registered for the NIGP Commodity Code the opportunity to bid, the electronic bid packet (where available), and best bid criteria.

If the bid is in excess of ten thousand dollars (\$10000) it shall be accompanied by a bond or certified check on a solvent bank in an amount set forth in the bid package but not to exceed five percent (5%) of the bid as per ORC Section 307.88. Bid bond or certified checks shall be returned to vendor once the bids have been approved by the County Commission resolution and or a contract agreement has been duly signed.

A performance bond may be required as determined by the Board of County Commissioners, the Purchasing Department, or end user department, agency or elected official.

See Attachment B for Bid Bond, Performance Bond definitions and criteria. See attachment C for Best Bid Criteria.

NOTICE OF COMPETITIVE BIDDING

Notice for anything to be purchased, leased, leased with option or agreement to purchase and the maintenance, repair or service of equipment, at a cost estimated to be in excess of twenty-five thousand dollars (\$25,000), shall be posted in a public place in the lobby, first floor, Government Center and on the County Web Site. E-mail notification will be sent to all those vendors registered for the NIGP Commodity Code and advertised in a newspaper of general circulation once.

AWARD OF BID

The award of all contracts subject to Sections 307.86 to 307.95, inclusive of the Revised Code, shall be awarded to the lowest and best bidder, refer to Best Bid Criteria. The County reserves the right to accept parts or may reject all bids.

QUOTATIONS

Written quotations are obtained by the department head or authorized personnel for submittal to the Purchasing Department for any proposed purchases in the amount of one thousand dollars and one cent (\$1000.01) up to and including five thousand dollars (\$5000). Departments are to utilize the registered vendor list provided by the Purchasing Department. Solicitation / selection of vendors within the same NIGP Commodity Code are encouraged to be solicited from a variety of sources.

Quotations are obtained through the Purchasing Department for purchases in the amount of five thousand dollars and one cent (\$5000.01) up to the competitive bid threshold as stated in Section 307.86, Ohio Revised Code where it is felt that competition is not limited to a sole source vendor, but where competitive prices, quality, etc., exist.

Quotes for items one thousand dollars (\$1000) or under will not be sought by the Purchasing Department. These purchases will be tracked by vendor/NIGP code upon implementation of PeopleSoft Financials.

DISPOSITION OF BID

Bids shall be opened in public at the time and place stated in the public notice. A tabulation of all bids received will be made and be available for public inspection.

RESPONSIBILITY FOR SPECIFICATIONS

The preparation of specifications is the responsibility of the using agency, subject, however, to the review and examination of the Purchasing Department. They shall be definite, certain and permit competition.

REQUEST FOR BIDS INVITATION TO BID (ITB), REQUESTION FOR PROPOSALS (RFP), REQUESTS FOR INFORMATION (RFI), REQUEST FOR QUALIFICATIONS (RFQ)

The requests for ITB, RFP, RFI, RFQ sent or placed in the hands of prospective bidders is a form of notice to bidders. Notice should contain the following instructions and information:

1. Bids must be sealed.
2. The time, date and place of opening bids.

3. The procedure for opening bids.
4. A full description of the materials/service required.
5. Bidders must state manufacturer, manufacturer's brand or trade name and catalog numbers when applicable.
6. Variance to requested specifications shall be specifically stated by the bidder.
7. Any changes in the specifications will be done by addendum.
8. Bids must specify any and all warranties and include literature when available.
9. Bids must indicate delivery date and shipping date.
10. Bids must be plainly marked on outside of envelope, the material or service bid and the time and date of bid opening.
11. Lucas County reserves the right to reject any or all bids, to waive any minor irregularities in a bid, to make awards to more than one bidder, or to accept that bid or bids which is in the judgment of the proper official to be in the best interest of Lucas County.
12. Bidders must certify on the bid form that the items they are bidding meet the specifications or indicate exceptions to the bid.
13. Delinquent Personal Property.

Said notification of opportunities to bid will be posted on the web page as well as bid packets for the same where possible.

CONTENTS OF A GOOD SPECIFICATION

1. State exactly what is wanted clearly, definitely and completely without use of brand names.
2. Provide the means or basis for testing deliveries for conformance with the specifications. Without this check, the specification loses much of its force as a purchasing tool.
3. Avoid nonessential quality restrictions that add to cost and to difficulty in procurement without adding to utility and value.
4. Avoid definition that unnecessarily restricts competition.
5. Conform, so far as possible, to established commercial and industrial standards.
6. Examples of equipment that meet specifications can be included.
7. Includes Best Bid Criteria.

PRICE AGREEMENT

WHAT IS A PRICE AGREEMENT

A price agreement is the acceptance of a supplier's promise to furnish an item or items or service to the County at a firm or fixed unit price for a specific period of time.

WHY USED

Price agreements are established and used by the Purchasing Department to provide the means for issuing purchase orders based on fixed prices without negotiating separate bids for each additional purchase.

HOW USED

Using agencies must follow the same procedure as in making other purchases when obtaining those items covered by price agreements. "As per Price Agreement" should follow the description(s) of the item(s).

RESPONSIBILITY

The Purchasing Agent shall be responsible for renewing or renegotiating all price agreements. However, the using agency shall, by memorandum, advise the Purchasing Agent of the need for renewing the price agreement, giving an estimate of their anticipated requirements. The notification by the using agency should be in the hands of the Purchasing Agent at least thirty (30) days prior to the need for a new price agreement.

The Purchasing Department maintains a tickler file on agreements as to length and time of bids, options, etc. and will notify department at least sixty (60) days prior to expiration.

CERTIFICATION OF FUNDS

In any case in which a contract is entered into upon a per unit basis, the head of the department, board or commission for whose benefit the contract is made shall make an estimate of the total amount to become due upon such contract, which estimate shall be certified in writing to the Lucas County Auditor. Such contract may be entered into if the appropriation covers such estimate, or so much thereof as may be due during the current year. In such a case, a certificate from the Lucas County Auditor based upon the estimate shall be sufficient compliance with the law requiring a certificate of funds.

PROCUREMENT OF LEASE, RENTAL, SUPPLY, OR MAINTENANCE OF EQUIPMENT

PURPOSE

At the request of a department and in accordance with the Ohio Revised Code and the policies of the Board of County Commissioners, if it's determined to be cost effective or necessary, the Purchasing Agent may enter into an agreement for the lease, rental, supply or maintenance of equipment. The Purchasing Agent may enter into an agreement with a vendor to provide that equipment for a set period of time and at a set price. The terms and conditions of the agreement are confirmed by a purchase order.

WHEN ISSUED

An agreement for the lease, rental, supply, or maintenance of equipment, if for a term of twelve (12) months or less, shall be executed by the Purchasing Agent only with a purchase order that authorizes the vendor to maintain or supply equipment. To initiate this process, each department, except outside county agencies

with their own governing board, will follow the policy and procedure outlined in this policy for the purchase of equipment.

If the term of the agreement excluding options extends beyond twelve (12) months and exceeds \$25,000, the Purchasing Department, before issuing a purchase order to the vendor, must submit all documents, and the proposed purchase order to the Prosecutor for "Approval as to Form." Upon receipt of the Prosecutor's approval, the Purchasing Department will prepare a resolution and submit it to the Clerk of the Board for placement on the agenda of an open public meeting of the Board of County Commissioners for their consideration. After Commissioners' approval, the purchase order and resolution will be sent to the Auditor for certification of funds.

MISCELLANEOUS PURCHASE

For the convenience of the various departments procuring miscellaneous supplies, it shall be permissible for them to purchase direct from the vendor, and then forward an invoice to the Accounts Payable Department as soon as the invoice is received. The end user department shall use the most current vendor registration list and is encouraged solicit quotations or bids from a variety of sources. Prompt submission of invoices enables the Accounts Payable Department to process invoices faster. In this case no purchase order is generated due to an invoice being received.

The maximum amount expended on this basis must not exceed one thousand dollars (\$1000) for any department. This particular transaction requires the vendor's name, address and zip code be typed on the voucher by the department. These transactions will be tracked as to vendor & NIGP Code for quarterly monitoring purposes upon implementation of PeopleSoft Financials.

EMERGENCY PURCHASE PROCEDURE

PURPOSE

Emergency purchases are to be made by a department only when the normal functions and operations of the department would be hampered by submitting a requisition in the regular manner or where life, property or equipment are endangered through unexpected circumstances and supplies or services are needed immediately.

BY WHOM MADE

The process of obtaining approval for an emergency purchase will be completed most quickly if the documents are walked through the various offices. After a department defines an emergency need, they must prepare a purchase requisition and take it to the Purchasing Department.

HOW TO MAKE

These documents should be taken to the Purchasing Department. If twenty-five thousand dollars (\$25,000) or less, competitive quotations will be waived, and if the purchase or service exceeds twenty-five thousand dollars (\$25,000) but under fifty-thousand dollars (\$50,000) the established emergency threshold as stated in Section 307.86 ORC, an emergency resolution will be prepared by Purchasing. From here the Purchase Order and/or the emergency resolution will be walked to the Office of the Auditor. The Auditor will review the Purchase Order and if necessary, the emergency resolution, certify the availability of funds and immediately encumber the funds. Then:

1. If the purchase or service exceeds twenty-five thousand dollars (\$25,000) , the documents must be hand carried to the Clerk of the Commission who will place the resolution on the agenda for the next meeting of the Board of County Commissioners.
2. If the purchase or services is twenty-five thousand dollars (\$25,000) or less, the documents must be hand carried to the Purchasing Department for execution.
3. Should the emergency and the emergency purchase occur after normal working hours or on a weekend, the above procedures must be followed during the course of the next working day.
4. If for some reason the Board of County Commissioners disapproves the emergency resolution, the department must submit the voucher as soon as possible to the Board of County Commissioners as a moral claim. A moral claim resolution must be prepared by the Administrator and along with the voucher in question, sent to the Office of Prosecuting Attorney for a letter of opinion. When the opinion has been received back, the opinion will be reviewed by the Board and presented at an open public meeting of the Board of County Commissioners.
5. Suppliers shall furnish a sales ticket, delivery slip, invoice, etc., for the supplies or services rendered. Terms of the transactions, indicating price and discounts shall be shown.
6. A true emergency will almost always occur as the result of a need for parts and labor for repairs to equipment which must be kept in operating order.
7. Emergency purchases, due to negligence, or failure to anticipate normal needs, needless to say, are to be avoided because emergency purchases are costly and should be kept to a minimum as

they are usually made hurriedly, on a noncompetitive basis, and usually at top price. Most vendors will charge a premium if supplies must be obtained immediately. By avoiding emergency orders, we will save money.

INVOICES

DEFINITION OF AN INVOICE

An invoice is the result of the itemization of charges for the purchase of supplies, materials, equipment or service which have been furnished. They are the means by which the supplier informs the County of its obligations and should contain the same basic information as the purchase order.

WHAT AN INVOICE SHOULD CONTAIN

1. Purchase order number.
2. Date of order.
3. Date of delivery.
4. Destination of delivery (department and address).
5. Itemized list of materials or service rendered.
6. Quantities, prices (both unit and total), terms and any other charges contained in the Purchase Order.
7. Delivery and cartage should be listed separately from the materials and supplies.
8. Invoices should be submitted to the County Department in at least duplicate form.

WHAT DEPARTMENTS DO WITH INVOICES

For Purchase Order. Using departments, after checking and reviewing invoices, will submit original invoice, with a completed yellow voucher plus one photo copy of the voucher to Accounts Payable for processing. If the purchase order is for the purchase of equipment or personal property in excess of five thousand dollars (\$5000), the department must also include a completed Fixed Asset Acquisition Form. Accounts Payable will then send invoice and voucher and, if required, the fixed asset acquisition form to the Auditor for payment.

All invoices, whether net or discount, should be processed quickly for payment. However, before voucher payments are prepared, all delivery slips, either partial or complete, shall be checked against the order.

GENERAL INFORMATION

In placing an order it is important to prepare and adopt specifications and standards and to see that full competition is obtained under favorable market conditions. It is important also to follow through and be sure materials, supplies, etc., are delivered promptly and specifications are met. Expediting of deliveries shall be the responsibility of the using department and the Purchasing Department.

INSPECTION, TESTING AND RECEIVING

INSPECTION AUTHORIZATION

The Purchasing Department may and will authorize the using department to check materials against a purchase order for confirmation as to quality, quantity and specification.

PROCEDURE IN DEPARTMENT

The receiving department will, upon receipt of materials and after inspection and testing, properly initial or sign invoice or packing slip, indicating receipt of shipment. Any variation in quantity shall be noted on the invoice. If quantity does not agree with suppliers delivery slip, notify the supplier of the discrepancy for reconciliation and the Purchasing Department. If the materials delivered are not in conformity with the specifications and are not acceptable by the using department, they shall notify the Purchasing Department and the supplier at once of the reasons for withholding acceptance. The Purchasing Department will take immediate action to require replacement by the supplier, or supply needed material from another source.

TESTING

The testing of materials, supplies, etc., is often necessary to assure the using department that purchases are adequate and satisfactory, and that the desired result will be obtained. The using department shall be responsible for all details in connection with any testing necessary.

GENERAL INFORMATION

The importance of adequately testing and inspecting materials cannot be emphasized too strongly. Not only does inspection prevent the direct loss accruing from acceptance of and payment for defective materials, but it is productive of indirect benefits of almost equal importance. It has a salutary effect on vendors, since the knowledge that materials will be carefully inspected and tested deters the shipment of

inferior goods. It discloses those manufacturers whose products consistently conform to specifications and those who habitually take full advantage of the maximum tolerance permitted. Finally, adequate inspection frequently calls to the attention of the vendor, imperfections in his product which he is voluntarily willing to remedy.

FOLLOW-UP AND EXPEDITING

The process of procurement is not accomplished by simply issuing a Purchase Order. Satisfactory delivery must also be made. To insure that delivery must be received when required, some form of follow-up is frequently necessary.

PURCHASING DEPARTMENTS RESPONSIBILITY

Follow-up or expediting is essentially a part of the purchasing process and can be effectively handled as such. The necessary delivery records and similar information are immediately available to the Purchasing Department.

The basis for successful follow-up lies first in the proper stipulations of the purchase. The necessary procurement cycle, time required for manufacturer and delivery after an order has been placed, are all pertinent preliminary considerations on the part of the buyer.

The Purchase Order should state required delivery date, if such is known. Date and methods of follow-up will depend on the nature of the order and the promised delivery date. Source of supply, whose history clearly shows a record of broken delivery promises, should be eliminated from consideration.

DEPARTMENT RESPONSIBILITY

If the using department plans carefully, many needless rush orders for material will be eliminated and there will be no need for any particular follow-up, other than routine.

Constant request to suppliers for rush service destroys the effectiveness of such request and adds needless cost to both buyer and seller. In addition, it may cause expediting to degenerate into mere pressure, which is the least effective of all follow-up methods.

BUYING THE RIGHT QUALITY

DEFINITION

Quality means excellence of character. It does not necessarily have to be the best or highest quality, but the right quality for the purpose intended.

STEPS TO PROCURE THE RIGHT QUALITY

1. Determine the exact quality needed by analysis, physical tests, measurements and performance when necessary.
2. Remember that quality is not measured by price.
3. Remember that anything below the "right quality" is not good enough and anything above the "right quality" is too good, and additional costs outweigh value for the purpose intended.
4. To secure proper quality, specifications must be written so that supplier understands exactly what is expected and proper means of inspection, measurement or tests are applied.
5. Under specific conditions, these desired quality may be secured by brand name.
6. Proper quality may be secured under certain conditions by matching samples.
7. Purchasing proper quality may be accomplished by use of market grades and commercial standard. With the cooperation of the using agency, it is the responsibility of the Purchasing Department to use and develop specifications that will procure the right quality of materials.

SURPLUS AND OBSOLETE PROPERTY

Surplus material or equipment, both real and personal, such as motor vehicles, tools, machinery, etc. as well as worn out obsolete material and equipment which is not needed or which is unsuitable for public use, shall be disposed of as the need arises consistent with State Law. Such disposal shall be the responsibility of the Purchasing Department. Miscellaneous items that are not on the inventory and are either worn out, broken or obsolete shall be disposed of by the individual departments.

METHOD OF DISPOSITION

Inventoried items that are surplus, worn out or obsolete which as no further practical use, may be disposed of in any of the following ways.

1. By transferring to other county departments.
2. By transferring to other governmental units or agencies contingent upon approval from the Board of Commissioners
3. By trading in on new equipment.
4. By public bid and or auction contingent upon approval form the Board of Commissioners.

HOW TO REPORT

Each department shall report its surplus or obsolete stock, equipment or materials by completing a Surplus Obsolete Property Form and forward it to the Support Services. The Support Services will then advise the department as to the proper steps to dispose of the property.

HOW DISPOSITION IS MADE

If surplus material is to be sold, it will be done by the Support Services upon precise specifications and upon a resolution of sale approved by the County Commissioners.

GENERAL INFORMATION

Each department, division and bureau will have an opportunity to acquire items before disposal, if it is in the best interest of the County.

Support Services with the assistance of the various departments, shall decide in the best interest of the County, if any items shall be sold, traded in or transferred to another department.

ATTACHMENT A

CERTIFICATION INFORMATION

1. MBE – Minority Business Enterprise – Certified by the STATE Of OHIO
 - a. Def: A company that is owned and controlled at least 51% by US citizen(s) and resident(s) of Ohio, belonging to one of the following ethnic groups: African-American, Native American, Hispanic, or Oriental. The firm must have been in operation at least one year prior to applying for certification.
 - b. Not limited to size of business
 - c. www.ohio.gov/das/eod , all forms and information on-line.
2. DBE – Disadvantaged Business Enterprise – Certified by the STATE Of OHIO
 - a. A business owned and controlled by 51% minorities, women, and other socially and economically disadvantaged persons. (For any group whose members are designated socially and economically disadvantaged by the SBA)
 - b. www.dot.state.oh.us/CONTRACTS
3. EDGE – Encouraging Diversity Growth & Equity – Certified by the STATE Of OHIO
 - a. Def: A business that is a socially and economically disadvantaged business as defined by the Ohio department of Administrative Services' Equal Opportunity Division.
 - b. All races eligible. Not limited to size of business.
 - c. www.ohio.gov/das/eod

ATTACHMENT B

Bid Bonds: As stated in section 307.88 of the ORC, that if a bid is over the amount of \$10,000, than the Bid Bond must not exceed a reasonable amount and must not exceed 5% of the total bid. The amount must also be provided in the advertisement. The bond applies to a person submitting a bid for award of a contract. This bond demonstrates the vendor's willingness to enter into a contract with Lucas County. The money is not refunded if the contract is awarded to said vendor and the vendor denies the contract/award.

Performance Bonds: As stated in section 307.89 of the ORC, may be required up to 100% of the total contract. This bond applies during the contract obligation. If the vendor does not perform at the level stated in the contract, than this bond is to cover substitute services that were required to be performed.

ATTACHMENT C

AMENDMENT TO RESOLUTION
NUMBER 97-633 FOR BEST
BID CRITERIA

December
16, 2003
NO. _____

Commissioner Wozniak offered the following resolution:

WHEREAS, the Lucas County Board of Commissioners is required by law to award capital improvement contracts to the lowest and the best bidder; and

WHEREAS, the Board of Commissioners, based upon its experience has determined that quality workmanship, efficient operation, safety and timely completion of projects are not necessarily insured by awarding a construction project to the lowest bidder; and

WHEREAS, the Lucas County Board of Commissioners, based upon its experience has determined that the lowest and best bidder on a construction project can be identified only through the consideration of several factors in addition to the dollar amount of the bid; and

WHEREAS the Lucas County Board of Commissioners adopted Best Bid Criteria pursuant to Resolution #97-633; and

WHEREAS, the Lucas County Board of Commissioners, based upon its experience has now further determined that the lowest and best bidder on a professional, personal service and a

commodities contract exceeding \$25,000.00 can be identified only through the consideration of several factors in addition to the dollar amount of the bid; now, therefore, be it

RESOLVED, by the Board of County Commissioners, Lucas County, Ohio, that the Best Bid Criteria adopted pursuant to Resolution #97-633 are hereby amended to read as follows:

Section 1. This Board hereby determines that the following factors are significant in determining whether a solicited bid for construction services, professional or personal services and commodities procurement that is estimated to exceed twenty five thousand (\$25, 000.00) is the best bid:

1. Demonstrated experience of the bidder on projects of the nature for which bids or request for proposals were solicited.
2. Continuity of the bidder=s work force.
3. For construction projects, bidder=s participation in trade-relevant Department of Labor or State of Ohio approved apprenticeship programs if such apprenticeship programs available.
4. Bidder=s familiarity with the project.
5. For construction and service contracts, bidder=s provision of OSHA (and if applicable EPA) compliant safety plan for its employees.
6. The number of years bidder has been in the construction, professional or personal service business or the number of years in the commodities supply business.
7. For construction projects, bidder=s construction experience in the preceding twenty four (24) months, including original contract price for each project undertaken and the final cost of the project; bidder=s

compliance with completion deadlines, timely response to site cleanup and Apunch@ list; bonding experience and timely filing of maintenance bond.

8. Bidder=s compliance with unemployment, workers= compensation and federal and state prevailing wage laws as applicable. Bidder=s compliance with the Fair Labor Standards Act and compliance with local and state taxation laws as applicable. Is the bidder a participant in the Drug Free Work Place Program for small employer (OAC 4123-17-58.1).
9. Exception. This best bid criteria does not apply to those commodities, goods and services acquired through of State of Ohio DAS Contracts, ODOT Contracts, other contracts listed in Section 125.04 and Contracts under ORC 9.48.

Section 2. The following procedural changes are hereby adopted:

1. On any construction, repair or renovation project that has an estimated cost of over \$25,000, the Lucas County Board of Commissioners may determine the lowest and best bidder by considering the factors listed above for any contractor submitting a bid. On a bid-by-bid basis, the Board of County Commissioners reserves the right to evaluate bidder=s subcontractors using the aforementioned best bid criteria. Bidders are strongly encouraged to review the established criteria with subcontractors the bidder is contemplating employing during the project. The consideration of these factors in no manner limits the Lucas County Board of County Commissioners= discretion in awarding contracts.
2. All bid invitations and specifications for construction, repair and renovation work for Lucas County shall advise prospective bidders of all of the factors that may be taken into consideration by the Lucas County Board of County Commissioners in determining whether a bid is not only the lowest but the best bid. Bid specifications shall contain provisions conforming to Section 1 of this Resolution.

PURCHASING POLICY AND PROCEDURES

AMENDMENT TO RESOLUTION
NUMBER 97-633 FOR BEST
BID CRITERIA PAGE 4

Section 3. This Board finds and determines that all formal actions of the Board concerning and relating to the adoption of this resolution were taken in an open meeting of this Board and that all deliberations of this Board that resulted in those formal actions were in meetings open to the public in compliance with the law.

Section 4. The resolution shall be in full force and effect from and immediately upon its adoption.

On the foregoing,

Commissioner
Commissioner
Commissioner

PURCHASING POLICY AND PROCEDURES

ATTACHMENT D: AMENDMENT TO PURCHASING POLICY

Disposal of Hardware: CPU's, Monitors, Keyboards, Mice, etc.

Hardware is not to be sold either in traditional auction or internet auction. They will be donated to the Ohio Penal Industry or other public or non-profit organizations as per ORC 307.12.

Procedure:

- 1) Department will generate a "Hardware Disposal" work order (available on OMNI Form) to the Facilities Department with detail as to item description, serial # , quantity, etc to be disposed.
- 2) Facilities will pick up said items.
- 3) Facilities will crush all hard drives and dispose in a safe and environmentally correct manner.
- 4) Facilities will prep all hardware to be donated to the Ohio Penal Industry for recycling purposes.
- 5) Facilities will FAX Department a completed copy of disposal record as a receipt. This receipt will be kept in the Departments inventory file as proof of disposition.

Policy Rev. 1/12/93

1/15/93

1/29/93

4/20/93

12/03

5/04

5/05